Contents

| Preface | | |
|---|--|-----|
| Debt, Policy, and Performance: An Introduction Susan M. Collins | | 1 |
| Book I | Indonesian Economic Policies and Their Relation to External Debt Management Wing Thye Woo and Anwar Nasution | 17 |
| 1. Introduction and Summary | | 19 |
| 2. Political and Economic Instability, 1950-65 | | 32 |
| 3. The Political Economy Factors in Policymaking | | 56 |
| 4. The Fiscal System | | 67 |
| 5. Monetary Policy and Financial Structure | | 83 |
| 6. Exchange Rate Policy | | 96 |
| 7. External Debt Management | | 114 |
| 8. Conclusions and Prospects | | 130 |
| Notes | | 140 |
| References | | 146 |
| Book II | External Debt and Macroeconomic Performance in South Korea Susan M. Collins and Won-Am Park | 151 |
| 1. Introduct | ion | 153 |
| 2. Historical Background: Economic Development Prior to 1962 | | 159 |
| vii | | |

| viii | Contents |
|------|----------|
| | |

| 3. An Over | view of Korea's External Debt | 170 | |
|--|---|-----|--|
| 4. Three Cycles of Debt Accumulation, 1960-86 | | | |
| 5. Internal versus External Shocks | | | |
| 6. Introducti | 6. Introduction to Part Two | | |
| 7. Korea's Rapid Growth | | | |
| Savings and Investment Exchange Rate, Trade, and Industrial Policy Exchange Rates, Wages, and Productivity | | 234 | |
| | | 249 | |
| | | 270 | |
| 11. Fiscal and Monetary Policy | | 282 | |
| 12. Income Distribution | | 300 | |
| 13. Lesson's | from Korea's Experience: A Synthesis | 319 | |
| Data Appendix | | 330 | |
| Notes | | 358 | |
| References | | 362 | |
| Book III | The Marcos Legacy: Economic Policy and Foreign Debt in the Philippines Robert S. Dohner and Ponciano Intal, Jr. | 371 | |
| 1. Introductio | n | 373 | |
| 2. Governmen | nt Expenditure and Revenues | 401 | |
| | 3. Trade Policy, Industrial Policy, and the Exchange Rate | | |
| | 4. Government Interventions and Rent Seeking | | |
| 5. The Philipp | 5. The Philippine Financial System and the Debt Crisis | | |
| 6. External Debt and Debt Management | | | |
| 7. Debt Crisis and Adjustment | | | |
| 8. The Aquino Government and Prospects for the Economy | | 558 | |
| Notes | | 593 | |
| References | | 607 | |
| Book IV | Debt, Adjustment, and Growth: Turkey Merih Celâsun and Dani Rodrik | 615 | |
| PART I POLIC | y Phases and Adjustment Patterns | | |
| 1. Turkish Economic Development: An Overview | | | |
| 2. Economic Boom and Debt Crisis, 1973-77 | | 629 | |

| | ~ |
|-----|----------|
| IX | Contents |
| LA. | Contents |

| 3. Crisis Without Adjustment, 1978-79 | 655 |
|--|-----|
| 4. Stabilization and Adjustment Policies, 1980-85 | |
| 5. Performance and Adjustment Patterns in the 1980s | 679 |
| PART II SELECTED ASPECTS OF DEBT AND ADJUSTMENT | |
| 6. External Borrowing, Real Wage Flexibility, and Equilibrium Exchange Rates: A General Equilibrium Analysis | 702 |
| 7. Trade Regime and an Anatomy of Export Performance | 716 |
| 8. The Public Sector: Fiscal Adjustment and Resource Mobilization | 731 |
| 9. External Financial Relations and Debt Management | 750 |
| 10. Conclusions and Prospects | 761 |
| Appendix A. Political Chronology | |
| Appendix B. Statistical Appendix | 771 |
| Notes | 797 |
| References | 804 |
| Biographies | 809 |
| List of Contributors | 810 |
| Name Index | 811 |
| Subject Index | 815 |
| | |